



# ***NEWS RELEASE***

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## **SBA OFFICIAL ADDRESSES NJRA** **Local Restaurant Benefits From SBA**

**ATLANTIC CITY, NJ** -- U.S. Small Business Administration Regional Administrator Michael Pappas told the New Jersey Restaurant Association today that SBA loans and technical assistance is up statewide and in the restaurant sector.

Of the **2,441** loans made in New Jersey last fiscal year for **\$566 million**, **266** loans for **\$87.8 million** were made to eating and drinking establishments in the state. So far this fiscal year, **131** loans totaling **\$33.3 million** have been made to restaurants and related establishments.

A record 16,338 businesses and start-up companies were counseled by SBA's network of Service Corps of Retired Executives (SCORE) chapters and New Jersey Small Business Development Centers (SBDCs). Both SCORE and the SBDCs provide free, confidential, one-on-one business counseling. SBDCs can also assist small business owners with business plans, marketing studies and loan proposals.

During his remarks, Pappas reiterated his pledge to increase outreach and services to New Jersey small businesses. "Many established business owners and those contemplating business ownership are unaware that there is a federal agency whose sole mission is to assist and promote small business development.

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"The SBA does this through its small business lending, technical assistance and government contracting programs."

Pappas also outlined President Bush's Growth Package which contains several provisions that will help the nation's 23 million small business owners. According to Pappas, the four components include: 1) An increase in the expensing limits from \$25,000 to \$75,000 for every small business owner who purchases equipment. 2) Accelerating tax reductions that were enacted in the 2001 Tax Cut which would allow 23 million small business owners to receive tax cuts averaging \$2,042. 3) Accelerating the reduction in the top marginal rate scheduled to take effect in 2006 (to 35%) to 2003. Small business owners would receive 79% (about \$10.4 billion) or the \$13.3 billion in tax relief from accelerating the reduction in the top tax bracket to 35% from 2006 to 2003. 4) Repeal of the death tax will provide certainty for family-owned small businesses that want to transfer the business from one generation to the next.

Following his remarks, Pappas visited with Donna and John Schlaner, owners of Café J of Northfield, a casual 50-seat upscale restaurant with an eclectic menu. In September of 2002, the Schlaners received a \$302,000 SBA Guaranty Loan from Commerce Bank to purchase the property of a former pizzeria where the restaurant is now located. Today, Café J employs a staff of 10 people and enjoys a successful following after being in business for only seven months.

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*For more information about all of the SBA's programs for small businesses, call the SBA Answer Desk at 1-800-U-ASK-SBA or TDD 704-344-6640. Also, visit the SBA's extensive Web site at [www.sba.gov](http://www.sba.gov).*